

EXHIBIT B

CARLOS FALCHI

TO : Harlan Lazarus

From : Carlos Falchi

Re: Chi by Falchi
September 12, 2006

Dear Harlan,

As I mentioned to you, John is very aware of Chi by Falchi brand being one of the attribution brands under our agreement and I have been working with John on it since August 2005, when we presented shoe samples to HSN made by King Kong.

Marcos was not working with me in 2003 when he tried to register Chi, and since I have entered into the agreement with Cyber, I have brought Marcos to work with me this and brand has been part of our attributions brand (Remember I gave Cyber the attribution rights on our contract ?) .

Your letter has stopped all shipments from our distributor to HSN and I have orders canceling this Friday, that if not shipped, it will destroy all that I have built for Cyber and myself with HSN.

I have enclosed copy of emails between John and Marcos, as well as samples of pairs of shoes made by King Kong bearing the Chi label, to show that I have already brought this brand into our agreement.

This is already part of the business I am paying Cyber for, where do you think my income is coming from ?

Can you please send me a letter IMMEDIATELY, stating that I have the right to use the brand Chi by Falchi and to ship goods to HSN and that you will not take any action to impede me from shipping goods under this brand, otherwise we will be in big trouble with our client, as I have orders for handbags canceling **this Friday** .

Please note that since I brought Marcos to work with me , I am the person appearing on television selling the products.

Thank you, regards

Carlos Falchi







